## Memorandum

To: Panel Members Date: March 27, 2003

From: Dolores Kendrick, Manager Analyst: J. Johnson

Peter DeMauro, General Counsel

Subject: One-Step Agreement for Communities in Schools of South Bay, Inc. (SET)

(no web-site)

#### **CONTRACTOR:**

• Multiple Employer: Training Agency

Training Project Profile: SET-Workers in High Unemployment Areas

SET-Workers with Multiple Barriers to Employment

Legislative Priorities: Displaced/Potentially Displaced Workers

• Type of Industry: Various Industries

Repeat Contractor: YesUnion Representation: No

• Name and Local Number of Union None of the employers in the core group is represented by

representing workers to be Trained: a collective bargaining agreement.

#### **CONTRACT:**

• Program Costs: \$99,080

• Substantial Contribution: \$0

Multiple Employer Support (8%) \$6,404

• Total ETP Funding: \$105,484

• In-Kind Contribution: \$69,520

• Maximum Contractor Charge: \$0 per trainee

Reimbursement Method: Fixed-Fee

• County(ies) Served: Los Angeles

• Duration of Agreement: 24 months

Communities in Schools of South Bay, Inc. (SET) One-Step Agreement March 27, 2003

**SUBCONTRACTORS:** N/A

THIRD PARTY SERVICES: N/A

#### **PRIOR PROJECTS:**

The following are completed project statistics for ETP Agreements with this Contractor within the last five years:

Agreement No.	Location (City)	Term	Agreement Amount	Amount Earned	% Earned
ET8-0605	Carson	12/15/97-12/14/99	\$268,128	\$186,214	69%
New Hire					
ET00-0146	Carson	10/04/99-10/03/01	\$324,810	\$217,693	67%
New Hire					

#### NARRATIVE:

This is the third ETP-funded Agreement with Communities in Schools (CIS). This entity is eligible to contract with the Panel under Title 22, California Code of Regulations (CCR), Section 4400(z) as a repeat training agency.

Founded in 1982, CIS is an autonomous non-profit, private post-secondary organization which is a part of a growing network of local, community-based agencies addressing joblessness and the needs of low-income individuals and at-risk youth. CIS provides a host of services such as counseling, health and human services, and job skills training to assist economically and socially disadvantaged adults and youths. The training programs are approved by the Bureau of Private Postsecondary and Vocational Education. CIS currently employs 17 full-time staff at its two centers in Carson and Compton.

Under this third project, CIS proposes to utilize Special Employment Training (SET) funding to train frontline workers who are located in high unemployment areas and/or have multiple barriers to employment.

The core group, of mostly small employers, participating in this program is eligible as California businesses which pay premiums to the California Unemployment Insurance Fund administered by the Employment Development Department. This eligibility allows these employers to retrain and/or hire individuals trained in this ETP-funded training program.

Most of the employers participating in this project are located in areas of Los Angeles County with unemployment rates exceeding the state average rate. Thirty-nine individuals employed by these companies are considered to be "working poor" because they earn low wages in dead-end jobs and lack the essential job skills necessary to improve their employment and advancement opportunities.

Further, this project is designed for an additional 30 individuals with barriers to full-time employment. According to the most recent census, Compton is one of the poorest cities in the state of California.

### **NARRATIVE:** (continued)

At \$33,021, the median household income is the seventh lowest in the state and \$20,000 less than the state and national averages. The percentage of families living below the poverty level is 25.5 percent compared to the statewide average of 10.5. The percentage of families receiving public assistance in Compton is 14.9 percent, more than double that of Los Angeles County. Census figures also show that more than half of Compton's adult population has not completed high school. The population to be served under this project also includes individuals with limited proficiency in English. Participants qualify for this project by having at least two identifiable barriers to employment including: limited English proficiency, limited basic education, limited or lack of training and/or work history, history of substance abuse, and history of legal problems.

To customize the curriculum for the retraining component, each employer recruited to participate is given the opportunity to view a PowerPoint presentation which delineates the many facets of CIS. Professional staff describe how the school can accommodate each employer by designing a curriculum to meet the specific needs of each company and its workers. During face-to-face meetings with each employer, individualized programs are outlined to be provided to one participating employer at a time on the premises of one of the CIS centers.

The New-Hire training component will be provided to unemployed individuals seeking to be trained in computerized bookkeeping or accounting occupations. Both the Computerized Accounting and the Automated Bookkeeping curriculum include some basic Microsoft Office modules. These modules have become integral parts of the day-to-day operation of most businesses and act as a foundation on which more advanced computer skills are built. The Microsoft modules comprise only 10 percent of the total number of hours to be trained in each of the occupation-specific curriculum.

#### **Employer Demand**

Ongoing advancements in computer technology require businesses to update and/or replace their equipment with increasingly complex high-tech equipment. The viability of many of these companies is tied to computers as a condition to sustaining their businesses. Therefore, current workers must learn new skills associated with the latest hardware and software applications to improve their chances of continued employment.

Recruitment of participating employers consists of several methods. CIS maintains full-time staff members dedicated to marketing its program. A strategic plan consisting of tapping into the extensive database of former clients coupled with distribution of marketing materials to new companies results in job listings. CIS also maintains a relationship with a network of local community organizations such as industry manufacturers' councils, The Compton Chamber of Commerce and the Gateway Chamber Alliance. Specialized mailings and public service announcements detailing the services offered by CIS continually go out to businesses within the service area.

The training needs of employers are assessed on a regular basis by personal contacts, telephone interviews, and through industry information sources. CIS identifies the demands of the employer community, determines the job skills required by these employers, customizes the curricula accordingly, tailors the days and times training will be delivered for each employer, and implements recruitment plans utilizing job developers for the placement of new hire graduates.

#### **NARRATIVE:** (continued)

Recruitment of New Hire participants consists of one or more of the following methods: referrals from the Employment Development Department's One-Stop and WorkSource centers; distribution of flyers; publicizing through print media such as informational brochures, community newsletters, and daily newspapers; and creative advertisement and public service announcements on local cable television, radio stations, and the Internet.

Based on the results of the assessments, this ETP-funded program will train 69 individuals in one of the following types of Computer Skills training:

<u>Office Automation</u> skills will be taught to 29 current workers who will have the opportunity to learn new computerized skills to improve their chances of continued employment. The curriculum will be designed and customized to meet the application needs of each participating employer.

<u>Automated Bookkeeping</u> and/or <u>Automated Accounting</u> skills will be provided to 40 unemployed individuals deemed to be "working poor" or with multiple barriers to full-time employment. Based on demand in the labor market, the Computerized Bookkeeping and Accounting curriculum was submitted to the participating employers for their exclusive evaluation and input which, in turn, helped to shape the curriculum to prepare candidates to acquire the skills needed in the marketplace. These occupation-specific curricula have been designed to fill the high demand in a broad spectrum of industries. These companies have experienced difficulty finding workers with the essential skills to support the increased use of accounting and bookkeeping technology in financial management areas of the companies.

All training will be conducted in a classroom/laboratory format and will be provided by CIS instructors. Project administration will be the responsibility of CIS.

#### Supplemental Nature of Training

Typically, the companies participating in this project are small employers who provide ongoing, on-the-job training in areas such as safety and industry-specific skills which are conducted in-house, informal, and on an individual as-needed basis. Due to the constant and rapid change in computer technology, companies need workers with current skills. The ETP-funded training will not replace traditionally offered training which would normally occur within the company. To contrast this, the employers are requesting a formal program in one or more of the computer skills offered by professional staff of CIS to achieve workforce development which will, in turn, facilitate specific company-oriented goals for each participating employer.

#### **In-Kind Contribution**

Participating employers will make contributions to the training in the amount of \$69,520 comprised of \$12,400 in wages paid to current workers while in training and \$57,120 in wages paid to new hires for additional, customized on-site during the retention period.

#### **COMMENTS:**

All participants in this project meet the Panel definition of frontline workers under Title 22, California Code of Regulations, Section 4400 (ee)(1,3).

#### Training in Areas of High Unemployment Wage Waiver Request

Unemployment Insurance Code Section 10214.5(c) states in part: "The Panel may waive the minimum wage provisions pursuant to subdivision (f) of Section 10201 for projects in regions of that state where the unemployment rate is significantly higher than the state average. These projects should focus on the "working poor" for workers with full-time jobs and fairly stable employment, but earn low wages in dead-end jobs and lack the essential job skills necessary to improve their employment opportunities. For new hire trainees, the Panel may also waive the ETP minimum wage requirements on a case-by-case basis and the Panel does not require a post-retention wage increase because these trainees are not employed and do not receive wages while in training.

The Contractor is requesting a wage waiver for the 29 retrainees in Job 1, five new hire trainees in Job 3, and five new hire trainees in Job 5. These workers are from areas the Employment Development Department has identified as cities where the unemployment rates are at least 25 percent higher than the state unemployment rate. These individuals also lack the essential skills to improve their employment opportunities. With funding from the Panel, they will receive training in the latest technology which will make them more valued employees or, in the case of the new hires, more employable following training.

The Contractor is requesting a wage waiver to the ETP minimum wage of \$11.92 for Los Angeles County. The lowest wage to be earned for the retrainees in Job 1 is \$9.00 per hour. The wages of these trainees must be raised by seven percent at the end of the retention period to \$9.63 per hour. The Panel may also waive the ETP minimum wage requirement for the new hire trainees in Jobs 3 and 5, but no post-retention wage increase is required because these individuals are unemployed and do not receive wages while in training.

#### **PROPOSED ACTION:**

Staff recommends the Panel approve this One-Step Agreement and wage waiver request if funding is available and the project meets Panel priorities. This recommendation is based on: Communities in Schools' participating employers stated need to provide their workers with skills to enhance each company's ability to remain competitive and to grow, and to ensure a continuing relationship with their customers in the community and to further provide 40 unemployed individuals with the skills necessary to obtain employment in industry specific occupations in the accounting and bookkeeping fields. The implementation of this training program will enable each participating company to remain viable in the California economy.

## **TRAINING PLAN:**

Grp/ Trainee Type	Types of Training	No. Retain	No. Class/Lab Videocnf. Hrs	No. CBT Hrs	No. SOST Hrs.	Cost per Trainee	Hourly Wage after 90 days
Job Number 1 SET HUA (Retrainees)	Computer Skills (Office Automation)	29	40	0	0	\$556	\$9.63 - \$16.00
Job Number 2 SET Barriers (New Hires)	Computer Skills (Computerized Accounting)	15	160	0	0	\$2,553	*\$9.93 - \$20.00
Job Number 3 SET HUA (New Hires)	Computer Skills (Computerized Accounting)	5	160	0	0	\$2,553	*\$8.50 - \$20.00
Job Number 4 SET Barriers (New Hires)	Computer Skills (Automated Bookkeeping)	15	120	0	0	\$1,915	*\$9.93 - \$20.00
Job Number 5 SET HUA (New Hires)	Computer Skills (Automated Bookkeeping)	5	120	0	0	\$1,915	*\$8.50 - \$20.00
					<b>ge of Hourly</b> *\$8.50 - \$20		
					Prev	<b>alent Hourl</b> \$9.00 per ho	
					Avera	<b>1,529</b>	Trainee
Health Benefit used to meet ETP minimum wage:  *Health benefits may be added to the trainees' base wages in Job Numbers 2, 3, 4, and 5 to meet the ETP minimum hourly wage requirements for Los Angeles County. Additionally, the SET HUA Retrainees in Job Number 1 must receive a seven percent increase in wages, from \$9.00 to \$9.63 per hour, following the retention period. The seven percent increase in wages must be calculated on the base wages before training, exclusive of any cost of living increase and health benefits.		JA e in iod. ase	Turnove Rate Shall no exceed 20 annually	Super t 0% Shall	of Mgrs & visors to be rained: not exceed 40%		

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## COMMUNITIES IN SCHOOLS OF SOUTH BAY, INC. CURRICULUM

Class/Lab OFFICE AUTOMATION
40 Hours (RETRAINEES – Job Number 1)

#### Introduction to Microcomputer Concepts

- ♦ Microsoft Office 2000 basics
- ♦ Microsoft Windows
- Microsoft Word
- Microsoft Excel

## Word Processing applications using Microsoft Word

- ♦ Introduction to Microsoft Word
- ♦ Basic Editing Skills
- Using the Internet and Web
- Formatting Basics
- Creating Tables
- Creating Documents with Merge

## Electronic spreadsheets applications using <u>Microsoft</u> <u>Excel</u>

- Excel Basics
- Entering Formulas and Formatting a Worksheet
- Working with Functions, Formulas and Print Options
- Advanced Formatting and Editing

## Database management applications using MS Access

- ♦ Database Basics
- Basic Database Editing and Printing
- Finding Information in a Database
- Working with Queries

## Presentation applications using Microsoft PowerPoint

- ♦ PowerPoint Basics
- ♦ Editing and Formatting a Presentation
- Setting up a Slide Show

## Using Microsoft MS Outlook

- ♦ Time and resource management
- Using and searching the Internet using Internet Explorer

## **Application Integration**

Microsoft Word, Excel, PowerPoint and Outlook

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# COMMUNITIES IN SCHOOLS OF SOUTH BAY, INC. CURRICULUM

Class/Lab 160 Hours

## Computerized Accounting (NEW HIRE - Job Numbers 2 & 3)

#### Introduction to Microcomputer Concepts

- ♦ Microsoft Office 2000 basics
- Microsoft Windows
- Microsoft Word
- ♦ Microsoft Excel

## Word Processing applications using Microsoft Word

- ♦ Introduction to Microsoft Word
- ♦ Basic Editing Skills
- Using the Internet and Web
- ♦ Formatting Basics
- Creating Tables
- Creating Documents with Merge

## Electronic spreadsheets applications using Microsoft Excel

- ♦ Excel Basics
- ♦ Entering Formulas and Formatting a Worksheet
- ♦ Working with Functions, Formulas and Print Options
- ♦ Advanced Formatting and Editing

## Database management applications using MS Access

- Database Basics
- Basic Database Editing and Printing
- Finding Information in a Database
- Working with Queries

## General Ledger Principles

- Journalizing, Posting
- ♦ Posting References
- ♦ Profit & Loss Sheets
- Balance Sheets

# COMMUNITIES IN SCHOOLS OF SOUTH BAY, INC. CURRICULUM

## <u>Computerized Accounting (continued)</u> (NEW HIRE – Job Numbers 2 & 3)

## **Payroll Concepts**

- Setting Up Payroll
- Managing Payroll and Employee Information
- Setting up employees for direct deposit
- Payroll and Paying taxes
- ♦ Employee lists

### Accounts Receivable & Payable Concepts

- Input bills
- Paying bills
- Customer Lists
- Purchase Orders

#### QuickBooks Pro

- ♦ Setting up accounts
- ♦ Setting up a Chart of Accounts
- Setting Up Customers, Vendors, Employees, Items
- Writing Checks, creating invoices, receiving payments
- Working with lists and reports
- ♦ Financial Statements
- Bank Reconciliation

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# COMMUNITIES IN SCHOOLS OF SOUTH BAY, INC. CURRICULUM

Class/Lab <u>Automated Bookkeeping</u>
120 Hours (NEW HIRE-JOBS 4 & 5)

### Introduction to Microcomputer Concepts

- ♦ Microsoft Office 2000 basics
- ♦ Microsoft Windows
- ♦ Microsoft Word
- ♦ Microsoft Excel

## Word Processing applications using Microsoft Word

- ♦ Introduction to Microsoft Word
- ♦ Basic Editing Skills
- ♦ Using the Internet and Web
- ♦ Formatting Basics
- Creating Tables
- Creating Documents with Merge

## Electronic spreadsheets applications using <u>Microsoft</u> <u>Excel</u>

- ♦ Excel Basics
- ♦ Entering Formulas and Formatting a Worksheet
- ♦ Working with Functions, Formulas and Print Options
- Advanced Formatting and Editing

## Bookkeeping-Service, Sole Proprietorship

(Introduction to fundamental principles of full-cycle, double entry accounting)

- Concepts and terminology
- Financial Statements
- Journals and ledgers
- Balance sheets, income statements and bank reconciliation for a service business

## Bookkeeping-Retail Partnership

- Continuation of fundamental principles of full cycle, double-entry accounting
- Concepts and terminology to perform specific accounting functions
- Journals and ledgers to prepare basic financial statements for a merchandising business organized as a partnership

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# COMMUNITIES IN SCHOOLS OF SOUTH BAY, INC. CURRICULUM

## Automated Bookkeeping (continued)

(NEW HIRE - Job Numbers 4 & 5)

## Bookkeeping-Retail Corporation

- Continuation of fundamental principles of full cycle, double-entry accounting
- ♦ Concepts and terminology to calculate depreciation
- Journals and ledgers to prepare basic financial statements for a merchandising business organized as a corporation

#### QuickBooks Pro

- Principal applications
- Basic operating commands and functions
- Setting up accounts
- Setting up a Chart of Accounts
- ♦ Setting Up Customers, Vendors, Employees, Items
- ♦ Writing Checks, creating invoices, receiving payments
- Working with lists and reports
- ♦ Financial Statements
- Bank Reconciliation

## Turbo Tax Accounting

Payroll and Business taxes

## Participating Employers in Retrainee/New Hire Multiple Employer Contracts

Contractor's Name:	Communities In Schools of South Bay	CCG No.:	ET03-0293
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Company: AM Federal Credit	
Address: 200 W. Artesia Blvd. Ste. 210	
City, State, Zip: Compton, CA 90220	
Contact Person/Title: Eileen Doerrer	
Telephone No.: (310) 638-2934	
Collective Bargaining Agreement (s): No	
Estimated # of employees to be retrained or <u>hired</u> under this Agreement: 2	
Total # of full-time company employees worldwide: 15	
Total # of full-time company employees in California: 15	
Company: American Dawn	
Address: 401 W. Artesia Blvd.	
City, State, Zip: Compton, CA 90221	
Contact Person/Title: Maria Estrada	_
Telephone No.: (310) 223-2000, ext. 271	
Collective Bargaining Agreement (s): No	
Estimated # of employees to be <u>retrained</u> or hired under this Agreement: 15	
Total # of full-time company employees worldwide: 182	
Total # of full-time company employees in California: 182	
Company: Bank of the West	
Address: 1701 N. Long Beach Blvd.	
City, State, Zip Compton, CA 90221	
Contact Person/Title: Debra Bradford	
Telephone No.: (310) 208-4111	
Collective Bargaining Agreement (s): No	
Estimated # of employees to be retrained or <u>hired</u> under this Agreement: 4	
Total # of full-time company employees worldwide: 1000 (estimate)	
Total # of full-time company employees in California: 1000 (estimate)	

# Participating Employers in Retrainee/New Hire Multiple Employer Contracts

Contractor's Name:	Communities In Schools of South Bay	CCG No.:	ET03-0293
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Company: Caring Hands Outreach
Address: 4235 E. Compton Blvd.
City, State, Zip: Compton, CA 90221
Contact Person/Title: Jean Withers
Telephone No.: (310) 762-6242
Collective Bargaining Agreement (s): No
Estimated # of employees to be retrained or <u>hired</u> under this Agreement:
Total # of full-time company employees worldwide: 2
Total # of full-time company employees in California: 2
Company: Compton Chamber of Commerce
Address: 310 N. Willowbrook Avenue, Suite 4A
City, State, Zip: Compton, CA 90220
Contact Person/Title: Lestean Johnson
Telephone No.: (310) 631-8611
Collective Bargaining Agreement (s): No
Estimated # of employees to be retrained or <u>hired</u> under this Agreement: 2
Total # of full-time company employees worldwide: 2
Total # of full-time company employees in California: 2
Company: Compton Travel Service
Address: 1612 W. Rosecrans Avenue
City, State, Zip Compton, CA 90220
Contact Person/Title: Joyce Foster
Telephone No.: (310) 632-3595
Collective Bargaining Agreement (s): No
Estimated # of employees to be retrained or <u>hired</u> under this Agreement:
Total # of full-time company employees worldwide: 3
Total # of full-time company employees in California: 3

## Participating Employers in Retrainee/New Hire Multiple Employer Contracts

Contractor's Name:	Communities In Schools of South Bay	CCG No.:	ET03-0293
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Company: Cormier Chevrolet
Address: 2201 E. 223 <sup>rd</sup> Street
City, State, Zip: Carson, CA 90801
Contact Person/Title: Tony Thomas
Telephone No.: (888) 830-5100 ext.312
Collective Bargaining Agreement (s): No
Estimated # of employees to be retrained or <u>hired</u> under this Agreement:
Total # of full-time company employees worldwide: 96
Total # of full-time company employees in California: 96
Company: Interactive Offices, LLC
Address: 609 Deep Valley Drive, Suite 2000
City, State, Zip: Rolling Hills, CA 90274
Contact Person/Title: Bonnie Mayes
Telephone No.: (310) 265-4400
Collective Bargaining Agreement (s): No
Estimated # of employees to be retrained or <u>hired</u> under this Agreement: 2
Total # of full-time company employees worldwide: 50
Total # of full-time company employees in California: 2
Company: Mid Cities Credit Union
Address: 325 S. Santa Fe Avenue
City, State, Zip Compton, CA 90221
Contact Person/Title: Roger Collier
Telephone No.: (310) 638-5147
Collective Bargaining Agreement (s): No
Estimated # of employees to be retrained or <u>hired</u> under this Agreement: 1
Total # of full-time company employees worldwide: 11
Total # of full-time company employees in California: 11

## Participating Employers in Retrainee/New Hire Multiple Employer Contracts

Contractor's Name:	Communities In Schools of South Bay	CCG No.:	ET03-0293
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Company: Mount Pilgrim Baptist Church
Address: 400 S. Santa Fe Ave.
City, State, Zip: Compton, CA 90221
Contact Person/Title: Doris Drew
Telephone No.: (310) 639-0568
Collective Bargaining Agreement (s): No
Estimated # of employees to be retrained or <u>hired</u> under this Agreement:
Total # of full-time company employees worldwide: 2
Total # of full-time company employees in California: 2
Company: Nationwide Insurance
Address: 200 E. Compton Blvd.
City, State, Zip: Compton, CA 90221
Contact Person/Title: Vickie Tyler
Telephone No.: (310) 604-6077
Collective Bargaining Agreement (s): No
Estimated # of employees to be retrained or <u>hired</u> under this Agreement: 1
Total # of full-time company employees worldwide: 40,000
Total # of full-time company employees in California: 1000
Company: New Beginnings Child Care Center
Address: 2038 E. Compton Blvd.
City, State, Zip Compton, CA 90221
Contact Person/Title: Lestean Johnson
Telephone No.: (310) 763-4836
Collective Bargaining Agreement (s): No
Estimated # of employees to be retrained or <u>hired</u> under this Agreement: 1
Total # of full-time company employees worldwide: 8
Total # of full-time company employees in California: 8

# Participating Employers in Retrainee/New Hire Multiple Employer Contracts

Contractor's Name:	Communities In Schools of South Bay	CCG No.:	ET03-0293
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Company: Typebox
Address: 1027 Cole Avenue
City, State, Zip: Hollywood, CA 90038
Contact Person/Title: Francisco Rodriguez
Telephone No.: (323) 464-2463
Collective Bargaining Agreement (s): No
Estimated # of employees to be retrained or <u>hired</u> under this Agreement: 2
Total # of full-time company employees worldwide: 2
Total # of full-time company employees in California: 2
Company: Vision Plus Optometry
Address: 3080 E. Florence Avenue
City, State, Zip: Huntington Park, CA 90255
Contact Person/Title: Alfredo Bautista
Telephone No.: (323) 583-8000
Collective Bargaining Agreement (s): No
Estimated # of employees to be retrained or <u>hired</u> under this Agreement: 4
Total # of full-time company employees worldwide: 12
Total # of full-time company employees in California: 12
Company:
Address:
City, State, Zip
Contact Person/Title:
Telephone No.:
Collective Bargaining Agreement (s):
Estimated # of employees to be retrained or hired under this Agreement:
Total # of full-time company employees worldwide:
Total # of full-time company employees in California: